

MONTANA BOARD OF HORSE RACING
REGULAR BOARD MEETING

OCTOBER 16, 2010

10:00AM

Jorgenson's Hotel – Big Sky Room (Economy Building)
Helena, MT

APPROVED MINUTES

ATTENDANCE:

Al Carruthers	Chairman	Sue Austin	Board Member
Susan Egbert	Board Member	Carol Lambert	Board Member
Topper Tracy	Board Member		
Ryan Sherman	Executive Secretary	Sherry Meador	Legal Counsel
Mike Tatsey	Board Member, attended by phone		

PUBLIC IN ATTENDANCE: Tom Williams, Cindy Williams, Janis Schoepf, Hugh Mellon, Ben Carlson, Toni Hinton, Jim Johnson, Steve Earle

CALLED TO ORDER: Chairman Carruthers called the meeting to order at 10:05 am

OLD BUSINESS:

Ryan reported the following

Travel

October

13 – Helena, MT – Accounting Meeting

16 – Helena, MT – Regular Board Meeting

November

8-9 – Helena, MT Department of Livestock Work

12 – Vacation

29 – Helena, MT Department of Livestock Work

2010 Live Race Meet Wrap-Up

2010 Live Race Meet Handle: \$1,435,030

Number of Racing Days: 22

Average Handle/Day: \$65,229

Average Races Per Day: 10.07

Number of Tracks: 5

Owners/Breeders Awards: \$9,750

2009 Live Race Meet Information

2009 Live Race Meet Handle: \$1,021,00
Number of Racing Days: 16
Average Handle/Day \$63,813
Average Races Per Day: 9.97
Number of Tracks: 3
Owners/Breeders Awards: \$8,350

Work Report

Legislation Update

In early September, the draft of the legislation was sent to our sponsor, Taylor Brown. Mr. Brown met with Topper Tracy and myself in Billings, MT and discussed the draft. I am working with Mr. Brown on finding any opposition that might oppose our bill. I have also been in contact with George Parisot at Montana Lottery and he has spoken with Mark Staples from the Montana Tavern Association and they both realize that we are not trying to change the landscape of the simulcast rules in place, we are just looking for the administration of the program and/or the ability to contract with service organizations. They are both behind the bill.

2011 Race Applications

I am currently working on the 2011 Race Date Application. With what we have been working with on our simulcast situation, I feel its best we push date applications back to December 1, with a date hearing shortly after that. By then, we should have a solution to the simulcasting and we will have a better read on the purse account and what we can project as available funding for race days in 2011.

I have also been in contact with Great Falls and Missoula commissioners about the options available for racing in those places in 2011. I will meet with Great Falls commissioners in early November in Great Falls to discuss their financials from Mr. Spector and I have not heard back from Missoula County yet. I have had a conversation with a possible suitor in Great Falls as well as in Missoula as well if we were to go a different direction in the simulcast arena.

2010 Owner/Breeder Awards

I have compiled the statistics and pay chart for our owner and breeder awards for 2010. I will be submitting those totals to the state this next week. We are paying just over \$9,750 for awards in 2010. That is an increase of \$1,400 from 2009. The biggest award winner was Tom Williams from Butte, MT. He will take home just over \$2,000. Congratulations to Mr. Williams!

ADW – total handle \$352,341.50
distributions \$10,62.76

Fantasy Sports -- 2009 - \$190,420
2010 through September - \$157,765 (still have October and December)

NEW BUSINESS:

State Veterinarian Practice Rule:

32.28.611 (5) ARM states “the official veterinarian shall administer medication only in an emergency and if no practicing veterinarian is available.” Member Tracy moved to delete this subsection (5). Member Austin seconded the motion. Board discussed changing circumstances from when rule was put in place and the need for the state vet to administer medications for horsemen who prefer to use the state vet over using the local vet. Motion passed.

Board members as owners/trainers:

There was discussion about the supposed conflict of Board members owning/running race horses and the possibility of changing the rule/statute denying such ownership. The issue was referred to the Legislature/Rules subcommittee.

Multi-year license:

Ryan reported that some of the ADW licensees requested that they receive a multi-year license so that they don't have to go through the process yearly. They were still willing to pay the appropriate fees up front. Member Egbert moved that the Board authorize a simplified renewal process for ADW licensees since licenses could only be granted on a year-to-year basis. Member Austin seconded the motion. Motion passed.

Racing Equipment request:

Ryan reported on the need for a new breathalyzer machine. Cost is \$600. Member Austin moved that the new machine be purchased. Member Egbert seconded the motion. Motion Passed.

Arizona Symposium:

Ryan informed Board of symposium held in Arizona December 5,6. There was discussion about how it would create good contacts with tracks throughout the country. Janis was invited to speak at the symposium. Member Lambert moved to send Ryan to the symposium. Member Egbert seconded the motion. Motion passed.

ADW presentation by Ida Racing.com:

Hugh Mellon reported on the development of Ida Racing.com. He stated that through his new company, it increased racing in Idaho from 8 to 16 days. He talked about Ida Simulcasting at the Fort Hall Casino which was the exclusive OTB site in Eastern Idaho). He talked about Idabet.com which was an on-line betting service that treated bets on local tracks as local sales. He stated that on-line betting at facility sites through individual accounts provided a higher percentage to the tracks and stated that a similar company would be of benefit to Montana. There was discussion about the potential conflicts with gambling regs and the MTA. The Board suggested Mr. Mellon provide a detail report to the Simulcast subcommittee for discussion and clarification to be presented to the Board at a later date.

Simulcast update:

The Board read its letter of September 28th to Montana Entertainment stated its concern about the decrease in services at the simulcast sites and demanding that ME upgrade those services or surrender those sites. The Board then read to the public ME's response stating that it had put in significant investment and the Board hadn't helped enough with the HBPA strike against ME

and that ADW was cannibalizing simulcasting. ME also claimed damages as a result of this forced surrender and threatened to pull out everywhere.

There was discussion about the decrease in simulcast handle while live-racing and ADW handles were up which suggested interest in racing was higher than ME claimed. There was further discussion about ME's problems with Robert's Communication, United Tote, Arizona and California HPBA and Idaho HPBA because of non-payment of services and personal conflicts which has significantly decreased ME's ability to provide the signals to the sites and a resulting decrease in handle that cannot support live racing in 2011. There was further discussion about the potential loss of the Breeder's Cup on November 6th and the need for ME's routers to carry that meet. Bill Weatherwax from United Tote reported to the Board that if it could keep the current routers in place, the Breeders Cup would be available. New routers would require system changes that weren't available until after the Breeders Cup. Member Tracy moved to appoint a subcommittee to negotiate a turnover of the sites with ME and to accept its surrender of license if a turnover was successful. Member Lambert seconded the motion. Member Tatsey, Ryan, and Sherry Meador were appointed to the subcommittee.

PUBLIC COMMENT: There were comments on the success of Missoula and Kalispell's race meet and the desire for those meets to continue. Comments were made concerning ME's willingness to make the transfer of equipment without undue conflict and the potential loss of simulcast handle and client base if the sites went down over Breeder's Cup.

ADJOURNMENT: Member Egbert moved to adjourn. Member Austin seconded the motion. Motion passed.

The meeting was adjourned at 2:00PM.

Signature

Date